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FEDERAL CROP
INSURANCE
CORPORATION

U. S. DEPT. OF AGRICULTURE
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OCT 15 1963

C & R-PREP.



What is
your

WHEAT

crop

really worth

to you? . . .

U.S. DEPARTMENT OF AGRICULTURE

BEFORE you consider any value you hope to gain from your crop . . .

YOUR PRODUCTION INVESTMENT MUST BE MADE FIRST !

and it includes land, seed, fertilizer, insecticides, machinery . . . adding up to a sizeable cash outlay plus a lot of plain hard work . . . in hope of a return.

If your crop is worth the INVESTMENT . . . then it follows that the INVESTMENT is certainly worth PROTECTING.

What happens if your crop fails? Do you just lose your expected profits? . . . Do you tell Mom the old refrigerator will have to do a year or two longer . . . or the banker that you just had a little tough luck . . . or the kids that college is fine, but next year you hope to be in a better financial position?

The fact is you *don't* just lose expected profit . . . You lose your INVESTMENT as well. This means the money needed to produce a crop next year must come from some place!

FEDERAL ALL-RISK CROP INSURANCE *protects* your investment . . . it guarantees, in case of crop loss or severe damage, that the money spent to produce your crop will be returned . . . enabling you to re-use that same money the next crop year . . . without unnecessarily draining the pocketbook or seeking an extension of credit.

ALL-RISK CROP INSURANCE protects your investment against all unavoidable causes



of loss: DROUGHT . . . EXCESS MOISTURE . . . FROST AND FREEZE . . . INSECTS . . . PLANT DISEASE . . . HURRICANE OR TORNADO . . . HAIL . . . any cause of loss *beyond* your control!



Here is how an ALL-RISK WHEAT INSURANCE POLICY will PROTECT YOUR CROP INVESTMENT:

Federal Crop Insurance guarantees a specified amount of good quality production and pays an indemnity when production falls below this guarantee.

Assume that the bushel guarantee for your wheat acreage is 1,000 bushels. First step is for you to place a value on it . . . \$1.50 a bu., \$2.00 a bu., or \$2.50 a bu. Assume you select a value of \$2.00.

Should the insured crop be a total loss, your indemnity would be 1,000 bu. multiplied by \$2.00 . . . or a total indemnity for your loss of \$2,000.

Suppose you only harvest 600 bushels. This is 400 bushels less than your guarantee. So your loss would be 400 bushels. Simple? . . . That isn't all . . .

In the above example your policy would also pay a BONUS indemnity to help cover harvesting cost. For wheat, this is equal to 1½ bushels per acre. Thus, in this example, your indemnity would be $\$2.00 \times 400$ bu., or \$800.00 plus an additional \$3.00 per acre for the acreage harvested.



Good farming practices PAY OFF! . . . FEDERAL CROP INSURANCE is a good farming practice!

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Family
Security



Education for
your children

Higher standard
of living

a way of life

LOANS

Good
Credit



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